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APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF THE GOVERNMENTS OF BURUNDI, RWANDA, UGANDA AND ZAIRE

Assistance in Transit/Transport for the Land-locked Subregion of East-Central Africa (RAF/78/015)

Report of the Administrator*

Date of present approval :	May 1979
Starting date of project activities :	May 1979
Planned completion date :	May 1981
To be executed by :	United Nations Conference on Trade and Development (UNCTAD)
Government implementing agency :	Communauté Economique des Pays des Grands Lacs (CEPGL)
Estimated cost of assistance planned under present approval :	$326 600
Source of UNDP financing :	Regional Indicative Planning Figure (IPF)

I. Background

1. The lack of access to the sea, aggravated by remoteness and isolation from world markets and by additional transportation, transit and trans-shipment costs, poses serious constraints to the development of land-locked developing countries. Several United Nations and UNCTAD resolutions have urged the international community to assist these countries through appropriate programmes of financial and technical assistance in mitigating their geographical handicaps. Present emphasis is on an integrated planning approach to the transit-transport problems of the land-locked developing countries.

* In accordance with General Assembly resolution 2688 (XXV) and subsequent authorizations of the UNDP Governing Council, reports are issued seriatim on the approval of UNDP assistance of $250,000 or more (including, if any, assistance financed by Government or by third-party cost sharing).

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2. UNDP financed from interregional funds an Exploratory Mission on Foreign Trade Policy and Planning to the Least Developing Countries (INT/73/013), which visited Uganda (December 1975), Rwanda (February 1977) and Burundi (April 1977). UNCTAD also held discussions in 1977 with the "Communauté Economique des Pays des Grands Lacs" (Burundi, Rwanda and Zaire) regarding proposals for assistance. These missions revealed an urgent interest in measures to improve their transit-transport and underscored the fact that the burden of transit costs is exceedingly high. These costs may well be the largest single impediment to expanded foreign trade, making it a high priority to undertake practical studies aimed at reducing the cost of access to the sea and to world markets.

3. The land-locked countries served by this project are all facing increasingly serious problems arising from: their geographical position, general inadequacy of transport facilities, cumbersome and wasteful procedures and regulations, and the need for more efficient management and maintenance. These countries, Burundi, Rwanda, Uganda and the Kivu region of Zaire are geographically isolated and generally too densely populated in relation to their present agricultural production capacities. They import not only industrial goods but also essential foodstuffs. The high dependence upon imported goods for domestic consumption entails an imbalance between imports and exports, which weighs heavily on transport costs and thus import costs.

II. Objectives and activities

4. The development objectives of the project are to contribute to the economic and social development of the sub-region by improving access to the sea and to world markets by reducing transit-transport costs. This will involve Burundi, Rwanda, Uganda and Eastern Zaire as well as the Secretariat of the Communauté Economique des Pays des Grands Lacs.

5. The immediate objectives of the project are to complete a comprehensive analysis of the transit-transport costs on each of the major existing transit routes in the sub-region, which pass through two main corridors: one to the North to the port of Mombasa and one to the South to the port of Dar es Salaam. It will examine in detail all direct and indirect costs at each stage and make specific recommendations for improvement and new possibilities, including the promotion of co-operation among the concerned countries and their neighbours. The project also includes emergency air freight studies at the express requests of the Governments of Burundi and Rwanda.

III. Inputs

6. UNDP will provide for the services of a senior transit-transport economist and several consultants, as well as two United Nations volunteers.

IV. Financial data

7. The expenditure components of the planned assistance are as follows :

	m/m	$
Experts and administrative support personnel	39	306 350
Equipment		15 000
Miscellaneous		5 250
		326 600